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SENSITIVE
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SUBJECT: ANTANANARIVO POL/ECON WEEKLY UPDATE (22-DEC-2009)

REF: A) 09 ANTANANARIVO 868
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¶1. (U) SUMMARY: This is U.S. Embassy Antananarivo's Weekly Update for December 7 to 22, an unclassified review of major political, economic, and commercial events and information from the U.S. Mission to Madagascar and the Comoros.

POLITICS (Paragraphs 1-5)

- Rajoelina kills the Maputo process
- Yet another new prime minister
- Confrontation at Tsimbazaza
- Military officers break rank
- Civil society discusses taboo twins

ECONOMIC AND COMMERCIAL (Paragraphs 6-8)

- Promoting the tourism sector: a tough sell
- Agricultural exports reduced in 2009
- Precious wood exports continue

COMOROS (Paragraph 9)

- Ruling party maintains hold in parliamentary elections

END SUMMARY

POLITICS

¶1. (SBU) RAJOELINA KILLS THE MAPUTO PROCESS: On December 16, Transition President Andry "TGV" Rajoelina effectively declared an end to cooperation under the troubled Maputo process (reftel A), and unilaterally announced that elections would instead be held in March 2010. Opposition leaders rejected his plan in a December 18 press conference, but Rajoelina proceeded to sack all of the opposition members of the short-lived unity government, including the Prime Minister, both Co-Presidents, and the President of the Congress (reftel C). On December 20, Rajoelina named Colonel Camille Albert Vital as his new Prime Minister (see para 2), although consensus PM Eugene Mangalaza refuses to step down. Opposition leaders have promised to continue implementing the Transition Charter without Rajoelina, essentially forming a parallel government. Rajoelina's call for a "holiday truce" appears to have fallen on deaf ears - although few Malagasy appear to support renewed confrontation, at least until early January.

¶2. (SBU) YET ANOTHER NEW PRIME MINISTER: On December 20, Rajoelina named Colonel Albert Camille Vital as Prime Minister. Vital is

relatively unknown, and claims to have not met Rajoelina prior to December 20. As a member of the Vezo ethnic group, from Tulear, he may satisfy those in the south-west who were incensed over the October sacking of PM Roindefo Monja (also from Tulear), but his appointment has little other immediate benefit. Vital holds a degree in civil engineering from the USSR, and twice studied in French military schools, in 1991 and 2001. His highest military assignment was as Chef de Corps of the First Regiment Fifth Military in Tulear from 1998 to 2001. He left the military in 2007 to launch a private security company in Tulear, and has been President of the Chamber of Commerce and Industry in Tulear since 2008. He has ties to both the Ratsiraka and Rajoelina political factions, but has little experience in politics. Vital is rumored to have been Rajoelina's third choice, after Rear Admiral Hyppolite Ramaroson and General Ismael Mounibou.

¶3. (SBU) CONFRONTATION AT TSIMBAZAZA: Madagascar's three opposition political movements tried on December 22 to "install" their legislative representatives in the building of the former National Assembly in Tsimbazaza (south-west of city center), but were foiled by around 500 members of the EMMO-Reg security force (Regional Joint Operations Command, a blend of police and gendarmerie forces). Very few demonstrators showed up, efforts by opposition leaders to negotiate entry were short and ineffective, and the crowd was dispersed around noon with a small amount of tear gas (estimated 10 canisters). There was only one person reportedly injured, due to tear gas inhalation. Thirteen people were reportedly arrested; all but three were released later in the day. The timely and overwhelming response from EMMO-Reg is in sharp contrast to the general disorder that marked such efforts from January to April 2009, and will temper opposition enthusiasm for a repeat performance any time soon.

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¶4. (SBU) MILITARY OFFICERS BREAK RANK: The day before Rajoelina's December 16 declaration, nine military officers from the army and the gendarmerie met with the press and issued a statement without prior authorization from their commanding officers. They called on politicians to continue negotiations, for Rajoelina to lift the entry ban on the Maputo III participants who were marooned in South Africa (they have since returned), for the armed forces to remain neutral, and for calm among the population. The Army Chief of Staff, the Commander of the Gendarmerie, and the Minister of Defense uniformly condemned their stand as an unauthorized breach of military professional secrecy; they also accused the officers of partiality towards Ravalomanana. Sanctions were to be taken, consistent with military discipline and regulations, but they were limited to the suspension of the two Gendarmerie colonels from their functions in the cabinet of the Secretary of State in Charge of Gendarmerie.

¶5. (U) CIVIL SOCIETY DISCUSSES TABOO TWINS: The Albert Camus Cultural Center (CCAC) and the Center for Analysis and Strategic Planning for Development in Madagascar (CAPDAM) sponsored events with UNICEF to educate the public on the taboo against twins that exists in the district of Mananjary in the Vatovavy Fitovinany region of Madagascar. A photography exhibit was held on December 7, followed by a roundtable discussion on December 12, to raise awareness of this taboo and encourage people to fight against the practice of abandoning twins.

ECONOMIC AND COMMERCIAL

¶6. (SBU) PROMOTING THE TOURISM SECTOR - A TOUGH SELL: A National Tourism Conference was held in Antananarivo on December 10-11, followed by the tourism fair "Enjoy" on December 12-13. These events were aimed at promoting the tourism sector, after severe hits by the global economic crisis and the Malagasy political crisis in 2009. According to the Ministry of Tourism, 119,352 tourists visited Madagascar during the first three quarters of 2009, against 267,280 during the same period in 2008 (375,010 for the full year 2008), a 55 percent decline. Conference attendees called for the reduction of all taxes related to tourism activities, the creation of a Tourism Development Fund, the renewal of the Investment Code

and the strengthening of training for young students interested in the tourism sector. Few foreign operators participated in the tourism fair, due to continued uncertainty in the ongoing political crisis.

¶7. (SBU) AGRICULTURAL EXPORTS REDUCED IN 2009: Vanilla and litchi exports, which represent nearly half of total agricultural product exports, encountered difficulties this year. The fixing of vanilla export prices at USD 27/kg resulted in a loss of competitiveness, as international market prices varied from USD 15/kg to USD 25/kg. Consequently, 1,000 tons of vanilla went unsold this year. Litchi exports were hit by low rainfall in 2009, which reduced harvests; only 19,000 tons were exported, compared to 22,000 tons in 2008.

¶8. (U) PRECIOUS WOOD EXPORTS CONTINUE: Despite a ban on the exploitation and commercialization of precious wood (a brief authorization of exports expired on November 30, and then-PM Mangalaza ordered a ban on any further exports), a ship transporting 174 containers of rosewood reportedly left Vohemar port on December 2, 2009, and 100 other containers are ready for embarkation. Their owners have apparently received export authorization, paid related fines, and are waiting for a shipment authorization. PM Mangalaza had asked local officials to provide a detailed accounting of all payments received under the brief export authorization by December 10, 2009, but as he was among the politicians stranded in South Africa until December 18, it is unclear if his order was followed. The renewed ban was welcomed by local and international NGOs, but it is unclear if the new PM shares Mangalaza's determination.

COMOROS

¶9. (U) RULING PARTY MAINTAINS HOLD IN PARLIAMENTARY ELECTIONS: Comoros completed its second round of voting in parliamentary elections on December 20, with President Sambi's ruling coalition winning a majority of seats based on initial results. International observers declared the election a success, despite lingering concerns over low turnout, voter registration, and operational

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difficulties on election day.

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